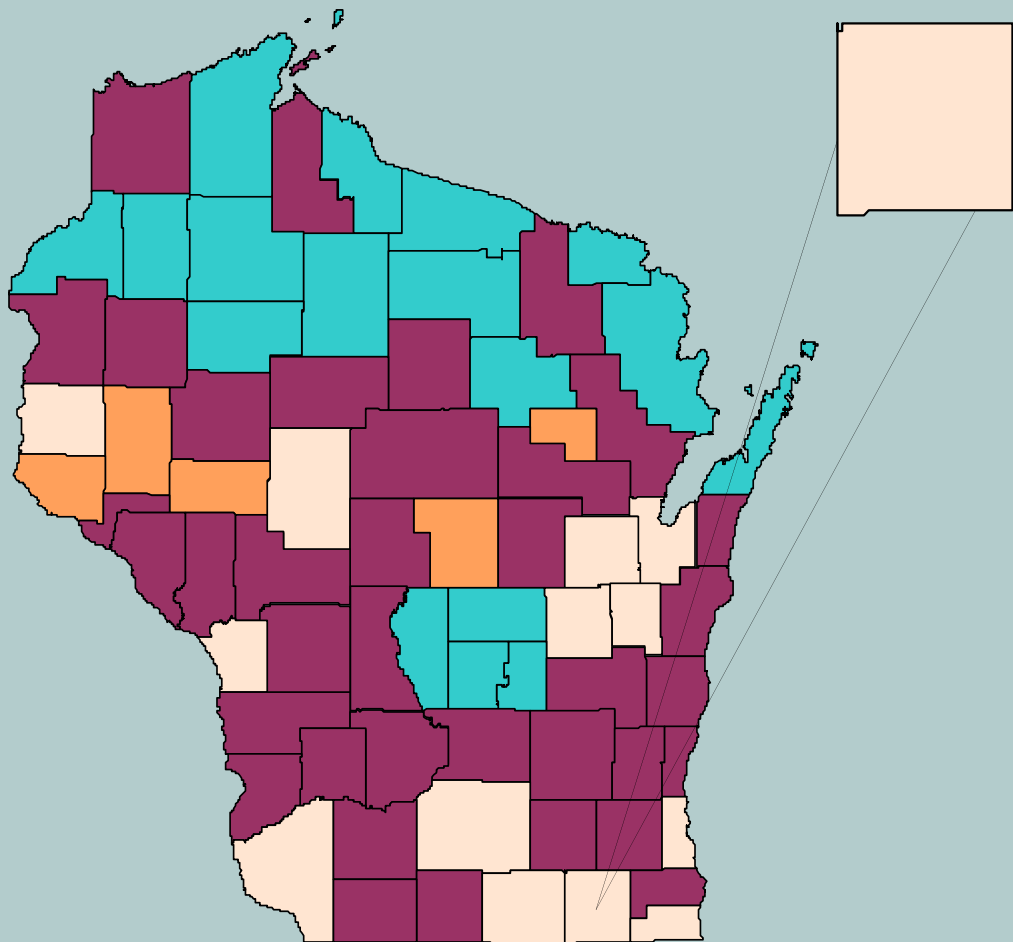


Walworth County Workforce Profile

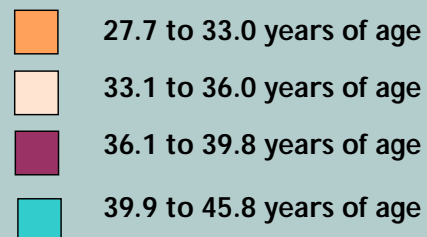
Median Age by County, 2000



Your complete
guide to the
state of the
labor force of
today and a
glimpse into
the economy of
tomorrow.



State of Wisconsin
Department of Workforce Development
October 2002



Source: Census 2000 of the United States



County Population

Walworth is an unique county given its geographic position. It is a non-metropolitan county embedded in the most populous region of the state, almost completely surrounded by metropolitan counties. Madison is located to Walworth County's north-west; Milwaukee is to the northeast; Rock County to its west and Kenosha and Racine border east of Walworth County. Also, one cannot ignore the fact that the hubs and suburbs of the Chicago area and Rockford metropolitan area are just to the south of Walworth County as well.

Walworth County's population, 93,032 (2001), is getting ever closer to the 100,000 mark. The 2000 Census showed Walworth County is one of the fastest growing counties in the state as it increased almost 33 percent since 1980, and even more robustly over the last decade, increasing 23 percent since 1990.

The population change from 1990 translates to 16,966 new residents. Approximately 86 percent of the new residents moved into the county and the remainder are the result of the county's net natural increase, which is the number of births in the county outnumbering the number of deaths. The heavy in-

migration trend is not surprising as the Lake Geneva area possesses an allure to vacationers and part-year residents, many of whom are now becoming year-round residents. One interesting perspective as to the seasonality of Walworth's population is that 83 percent of its vacant housing is seasonal, recreational or is used occasionally. Comparing Walworth's rate of seasonal housing to the State of Wisconsin (62 percent) and to the nation (34 percent) shows the county's population growth has not only been healthy over the long haul, but is quite dynamic throughout the seasons as well. It is widely held that the one of the strongest factors in deciding a retirement homestead is previous choices of vacation housing.

Walworth County's present pace of population growth is strong and is on a pace to grow approximately 15 percent from 2000-2010; slower than the last decade's growth, but still faster than the growth rates from 1970-80 and 1980-1990. The towns and villages all over the county showed high rates of growth, especially the communities along Interstate-43 are centered close to the larger cities of the county, such as Delavan and Elkhorn. The City of

(Continued on page 2)

Total Population

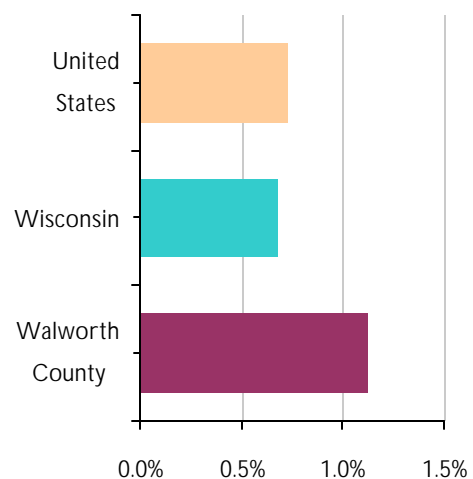
	2000 Census	January 1, 2001 Estimate	Percent change
United States	281,421,906	283,474,000	0.7%
Wisconsin	5,363,675	5,400,449	0.7%
Walworth County	91,996	93,032	1.1%

Ten Largest Municipalities

Whitewater, City *	10,809	10,806	0.0%
Delavan, City	7,956	8,030	0.9%
Elkhorn, City	7,305	7,517	2.9%
Lake Geneva, City	7,148	7,155	0.1%
Bloomfield, Town	5,537	5,593	1.0%
Geneva, Town	4,642	4,663	0.5%
Delavan, Town	4,559	4,646	1.9%
East Troy, Town	3,830	3,824	-0.2%
East Troy, Village	3,564	3,625	1.7%
Lyons, Town	3,440	3,514	2.2%

* Walworth portion only

Population Growth 2000-2001



Source: Wisconsin Department of Administration, Demographic Services, 2002



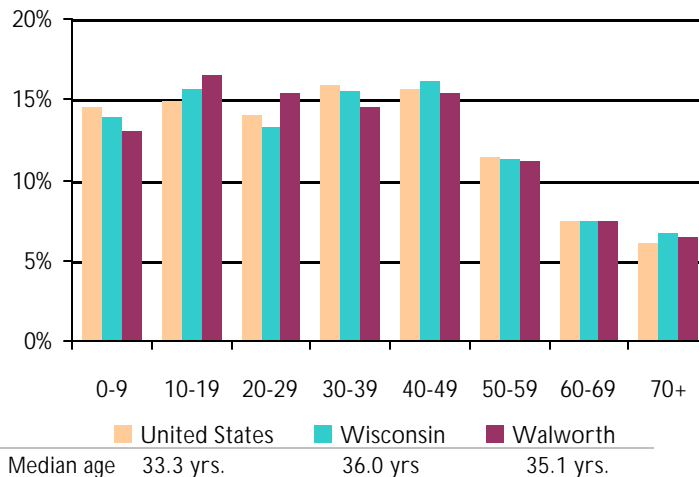
State of Wisconsin - Walworth County

Lake Geneva, off of U.S. highway 12, has also experienced excellent growth. The City of Whitewater, home of the University of Wisconsin-Whitewater, has too. In fact, The Wisconsin Department of Administration shows that only one Walworth community experienced a drop in population, the town of Sharon, which dropped from 1,016 in 1990 to 912 in 2000.

The population of the county is a bit younger, overall, than the rest of the state as whole. The graph to the immediate right displays 10-year age groups of Walworth's population and their distribution within the total population. Walworth County has a larger proportional share of those aged 10 to 30 years of age than the U.S. or Wisconsin. This is due to the fact the university campus in Whitewater is home to a well above average number of younger students as college towns all over the state tend to lower their county's median age.

The baby boomer cohorts (those aged 36-54 in 2000) show a lower percentage of total population than one might expect given their size in the national figures, especially of those in their 30's. Because of the lower portion in their 30's, we see a corresponding dearth in those aged 0-9. But when

2000 Age Group Comparison

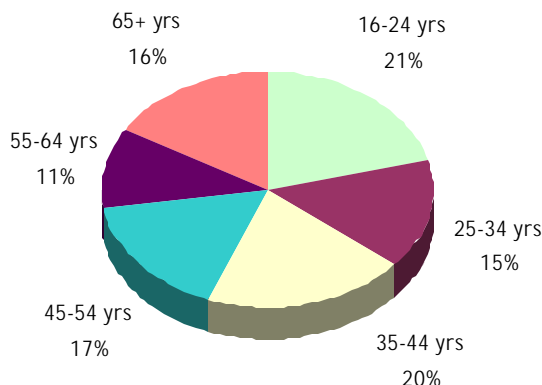


Source: US Department of Commerce, Census Bureau, *Census 2000*

the age cohorts are followed as they have aged 10 years, one sees a huge decrease of those in their mid-twenties to mid-thirties. For example, females aged 20-24 in 1990 lost 23 percent of their population as they aged to 30-34. Much of this is attributed to graduation and migration away from UW-Whitewater, but this phenomenon is happening in counties without college towns as well in Wisconsin.

County Civilian Labor Force

Walworth County Labor Force Age Groups



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

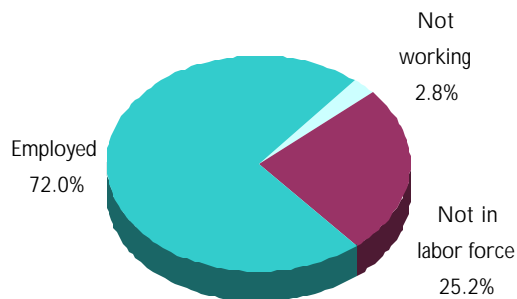
The "labor force aged" are particularly important to analyze. This perspective is very important to anticipate the future labor force. Populations that show balance in these cohorts are more likely to progress sufficiently with replacements of those who leave the labor force due to retirement. Counties, cities and villages, etc. that do not show balance have potential "demographic imperatives", which must be addressed and remedied. Typically, these imperatives are translated as too few younger population to replace those who retire from the labor force and not enough workers in key occupations that will be demanded by an aging population.

Walworth County seems fairly balanced at first glance, especially among the cohorts that are within

(Continued on page 3)

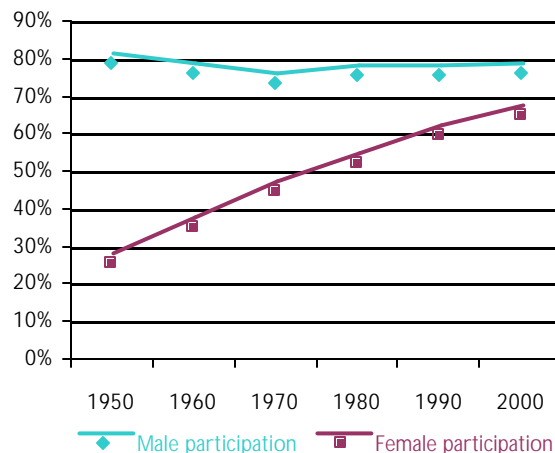


2001 Labor Force Participation



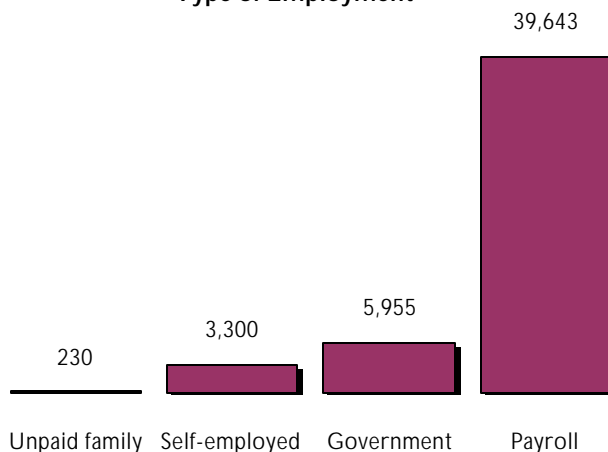
Source: Estimated from WI Dept. of Administration population estimates, Jan. 2001, US Census Bureau, and WI Local Area Unemployment Statistics.

Labor Force Participation of Male and Female Residents



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

Type of Employment



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

their prime working years.

Those aged 16-24 show a strong presence but one must factor that those between 16-18 are not as apt to work full-time for academic reasons and that a good number of those in this age group are college students, who are highly transitory once graduated. The next cohort, 25-34 years, are in short supply everywhere as birth rates were low for the baby boomers back in the 1960s and 1970s and they will be the first full generation to answer the call of employers, who may be strapped for workers, particularly skilled workers. The baby boomer cohorts, those about 35-54 years of age, presently dominate the labor force and will create the impetus for aggressive labor force planning/recruitment when their impending retirements from the labor force begin to become reality.

Labor Force

The labor force is the sum of those employed and unemployed *whom have actively sought work in the last month*. Labor force-eligible residents must be 16 years or older, civilian and not a member of an institutional population such as a prison. Labor force is measured via a monthly survey that considers only if the person has worked (at least one hour) and not where they worked. This is an important distinction because many residents of a county work in other counties. What this implies is that industries and jobs in one county may have an impact on the labor force of another county. It is fair to say that the surrounding counties have an effect on Walworth County's labor force and vice versa. The 2001 labor force participation rate (LFPR) in Walworth County was 74.8 percent (rounded), which is higher than the state rate of 73.5 percent. It is also considerably higher than the national rate of 66.9 percent.

Walworth County's LFPR ranks 18th highest of the 72 counties. Like many other Wisconsin counties, Walworth's LFPR rose steadily throughout the last couple decades and reached a peak in the late 1990's. The graph displaying LFPR by gender (middle graph) shows that female LFPR has risen quickly over the last 50 years, while the male LFPR has been relatively flat. The sharp female increase is

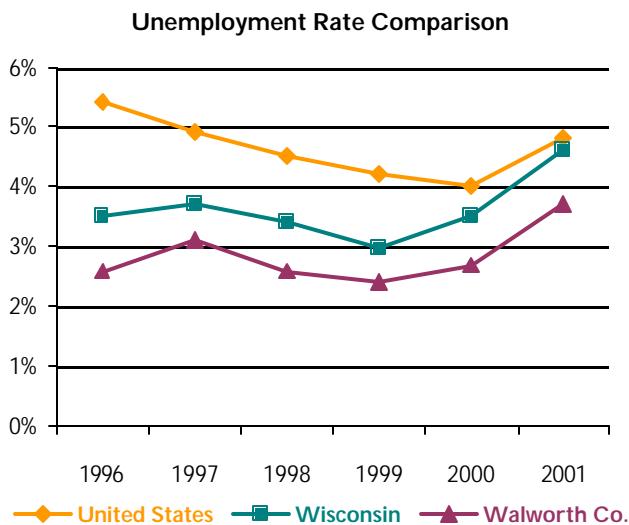
(Continued on page 4)



State of Wisconsin - Walworth County

a reflection of the need for two income homes; the advent of female, single-parent households and the choice by females to take advantage of increased opportunities in the labor force. The 2001 LFPR showed a slight increase after a few years of decrease, but this one year rise is not expected to sustain due to demographic issues that are sure to affect participation. These issues are surely to be age related as many will leave the labor force due to retirement. Another underlying factor that may not be so apparent within Walworth County is the fact that much of the growing population may not have intentions of joining the labor force and in fact, will bolster demand for more services within the county only exacerbating the need for labor that was created initially by those who left Walworth's labor force.

Walworth County's annual average labor force has grown 1.5 percent from 1996-2001. The number of employed only increased by about six-tenths of one percent so the labor force increase was heavily weighted to the 46 percent increase in the number of those who are unemployed over this timeframe. This increase in the number of unemployed has

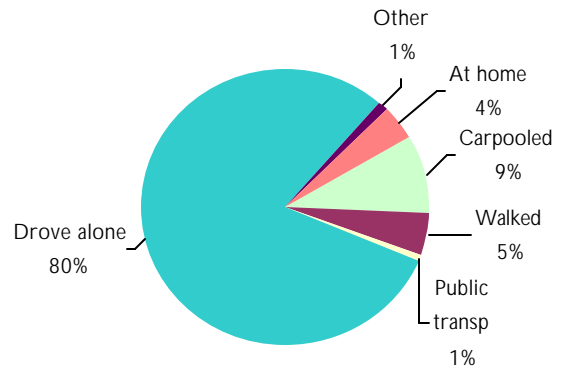


Walworth County Civilian Labor Force Data

	1996	1997	1998	1999	2000	2001
Labor Force	52,700	52,000	52,100	52,000	52,000	53,500
Employed	51,300	50,400	50,800	50,700	50,600	51,600
Unemployed	1,360	1,600	1,360	1,240	1,410	1,980
Unemployment Rate	2.6%	3.1%	2.6%	2.4%	2.7%	3.7%

Source: WI Department of Workforce Development, Local Area Unemployment Statistics, revised March 2002

County Travel-to-Work Patterns



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

caused the not seasonally adjusted unemployment rate of 2.6 percent in 1996 to increase to 3.7 percent in 2001. Walworth County's unemployment rate continues to be lower than the state average and usually posts the lowest rate in this part of the state, though Walworth County in the winter of 2002 has shown record high rates that are usually more common in neighboring such as Kenosha, Rock and Racine Counties.

Neighboring counties' economies have an effect on Walworth's labor force figures. Over 37 percent of employed Walworth County residents work outside of the county with 12 percent of the total employed leaving the state for their daily commute. Census data from 2000 is not yet available that shows specifically to which counties they are commuting as that data is anticipated in the next year. Suffice it to say that neighboring counties in Wisconsin and Illinois have the greatest draw of Walworth residents and that Walworth is sensitive to industry performance in these counties. Manufacturing employment, for example, and its regional performance in many counties has definitely affected Walworth's unemployment rate during the most recent recession.



County Industry Employment

Nonfarm Wage and Salary Employment

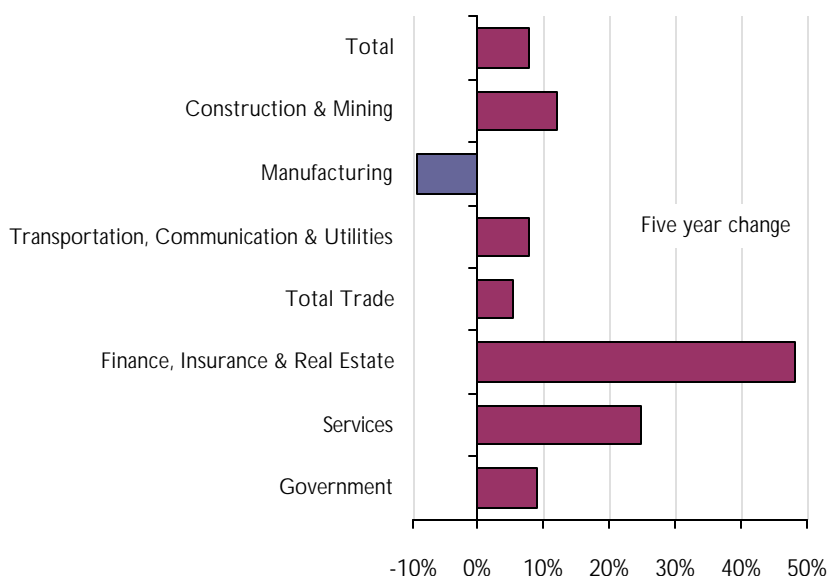
	1996	1997	1998	1999	2000	2001	Percent change	
							1 year	5 year
Total	38,705	38,586	39,711	41,256	41,336	41,758	1.0%	7.9%
Goods Producing	12,233	11,721	12,080	12,232	11,913	11,480	-3.6%	-6.2%
Construction & Mining	1,803	2,025	1,991	2,203	2,062	2,023	-1.9%	12.2%
Manufacturing	10,430	9,696	10,089	10,029	9,851	9,458	-4.0%	-9.3%
Durable	6,797	6,196	6,603	6,637	6,538	6,219	-4.9%	-8.5%
Nondurable	3,633	3,500	3,486	3,392	3,313	3,239	-2.2%	-10.8%
Service Producing	26,472	26,865	27,630	29,024	29,422	30,278	2.9%	14.4%
Transportation, Communications & Utilities	1,504	1,538	1,514	1,547	1,547	1,623	4.9%	7.9%
Total Trade	8,740	8,646	8,851	9,209	9,271	9,228	-0.5%	5.6%
Wholesale	1,511	1,573	1,570	1,579	1,550	1,500	-3.2%	-0.7%
Retail	7,230	7,073	7,281	7,630	7,721	7,728	0.1%	6.9%
Finance, Insurance, and Real Estate	867	965	1,053	1,103	1,210	1,286	6.3%	48.3%
Services & Misc.	8,767	9,089	9,473	10,306	10,491	10,946	4.3%	24.9%
Total Government	6,594	6,627	6,740	6,858	6,904	7,195	4.2%	9.1%

Source: WI Department of Workforce Development, Nonfarm wage and salary estimates, revised March 2002

Nonfarm wage and salary (NFWs) employment data are the complement to the labor force data from the previous pages. These are derived from a monthly survey that counts the number of workers in an establishment (by industry). These are reported as the number of jobs in the county regardless of where the employee lives. The number of Walworth industries' jobs has increased about eight

percent since 1996, which is just bit lower than the 8.7 percent growth the state has experienced. Walworth job growth has been centered in the services-producing industries rather than goods-producing, as much of the national economy has been heading into this direction for quite some time.

Employment Change by Industry Division: 1996 to 2001



Source: WI DWD, Nonfarm wage and salary estimates, revised March 2002

The construction industry is a goods-producing industry which has grown considerably given the influx of new residents and businesses bringing their demand for residential and commercial building. Manufacturing has subsided in employment, even in the better years of the 1990's economic expansion, so it was not surprising that it has decreased so quickly as the economy has softened.

Finance, insurance and real estate showed the largest expansion as many real estate companies and financial institutions have become very busy with new development. The services industry also showed excellent growth as many of the hospitality businesses connected to Lake Geneva have seen growth in consumption of their services.



State of Wisconsin - Walworth County

Top 10 Employers

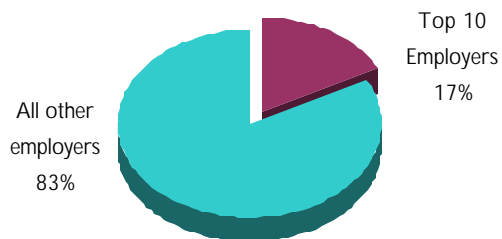
Company	Product or Service	Size
University of Wisconsin- Whitewater	Colleges, Universities and Professional Schools (Public)	1,000+
County of Walworth	Executive and Legislative Offices, Combined	1,000+
Sta-Rite Industries Inc.	Pumps and Pumping Equipment	500-999
Grand Geneva LLC	Hotels and Motels	500-999
Aurora Health Care of Southern Lake	General Medical and Surgical Hospitals	500-999
Miniature Precision Components Inc.	Plastic Products	250-499
School District of Delavan-Darien	Elementary and Secondary Schools	250-499
Elkhorn Area School District	Elementary and Secondary Schools	250-499
Agrilink Foods Inc.	Frozen Fruits, Fruit Juices and Vegetables	250-499
Whitewater Unified School District	Elementary and Secondary Schools	250-499

Top 10 Industry Groups

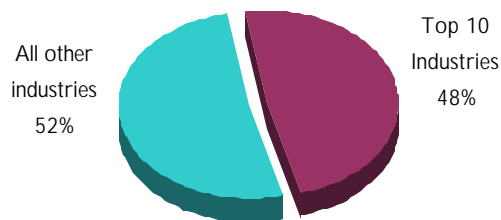
Industry Group	March 2001		Numeric change	
	Employers	Employees	1-year	5-year
Educational Services	25	3,720	156	511
Eating and Drinking Places	190	3,440	-182	-95
Hotels and other Lodging Places	30	2,107	243	376
Industrial Machinery and Equipment	31	1,980	33	344
Health Services	97	1,940	-48	271
Rubber and Misc. Plastics Products	26	1,844	-83	-96
Executive, Legislative, and General	28	1,743	-120	-114
Fabricated Metal Products	32	1,330	-6	132
Food Stores	30	1,113	2	96
Business Services	95	1,031	111	353

*data suppressed to maintain confidentiality

Top 10 Employers' Share of Nonfarm Employment



Top 10 Industry Group Share of Nonfarm Employment



Source: WI Department of Workforce Development, ES-202 file tape, December 2001

Five of the top ten largest employers in the county are government owned and are, for the most part, affiliated with education, which happens to be the top industry in the county via employment.

Two of the top three largest industries in Walworth County certainly cater to the warmer season visitors and residents around the Lake Geneva area as the restaurants and hotels in the area bustle.

Manufacturers and retail trade are the other larger industries (2002 data will likely show an annual decrease from 2001). Health services even have a seasonal aspect to it in Walworth County but as more and more part-year residents choose to make Walworth their year-round homestead these services will become year-round as well.



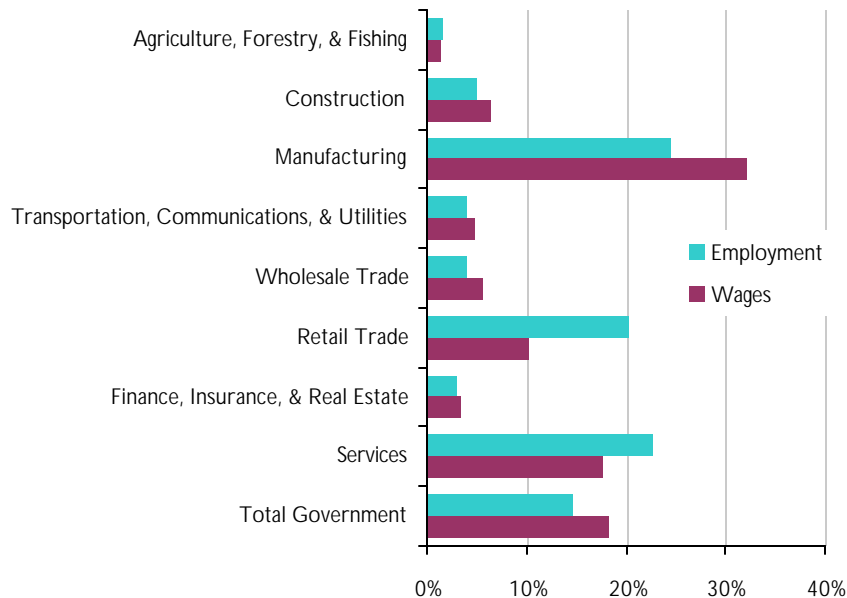
State of Wisconsin - Walworth County

A county's industrial composition can heavily dictate the occupational makeup of an area, which begets wages paid, which then begets economic vitality, etc. The graph immediately below shows the distribution of industry employment. It also distributes the wages paid by each of these industries.

Manufacturing and government industries in Walworth County are the big industrial players and not just because they employ so many. One will notice that these two industries pay a higher percentage of

the county's total wages than they employ putting a premium on these jobs and their economic worth to the local communities. Wholesale trade and Construction also share these premium qualities though they are less represented in total employment. Conversely, retail trade represents much more in employment than wages paid and this is explained by the large presence of entry-level and seasonal employees and the predominance of part-time schedules. Retail trade is the third largest industry in Walworth County.

Employment & Wage Distribution by Industry Division



The table to the bottom of the page displays industry wages relative to the state average and their growth over a one and five-year period. Walworth wages are generally about 88 percent of the state's wages paid. Only two of the broad industry groupings offer higher than state average wages. This probably explains a great deal of the commuting of Walworth County's workers to the nearby metro counties whose industries tend to pay higher wages. Finance, insurance and real estate wages have shown the fastest growth in a county whose total industry wage growth has been a bit slower than the state as a whole. The state's wage growth from 1996-2001 is 21.2 percent compared to Walworth's 20.5 percent.

Annual Average Wage By Industry Division

	Walworth Co. Annual Average Wage	Wisconsin Annual Average Wage	Percent of State Average	1-year percent change	5-year percent change
All Industries*	\$ 27,370	\$ 30,922	88.5%	2.5%	20.5%
Agriculture, Forestry, & Fishing	\$ 24,788	\$ 22,565	109.9%	2.1%	29.5%
Construction	\$ 35,463	\$ 39,011	90.9%	0.9%	19.9%
Manufacturing	\$ 35,746	\$ 39,739	90.0%	4.7%	26.7%
Transportation, Communications, & Utilities	\$ 32,680	\$ 36,639	89.2%	-1.9%	13.4%
Wholesale Trade	\$ 38,168	\$ 40,521	94.2%	-1.6%	20.5%
Retail Trade	\$ 13,768	\$ 14,596	94.3%	2.4%	22.6%
Finance, Insurance, & Real estate	\$ 31,064	\$ 40,933	75.9%	2.3%	28.7%
Services	\$ 21,172	\$ 28,775	73.6%	3.2%	21.1%
Total Government	\$ 34,024	\$ 33,785	100.7%	2.5%	17.1%

* Mining excluded from table since wages were suppressed to maintain confidentiality in every county

Source: WI DWD, *Employment, Wages, and Taxes Due covered by Wisconsin's U.C. Law, 2002*



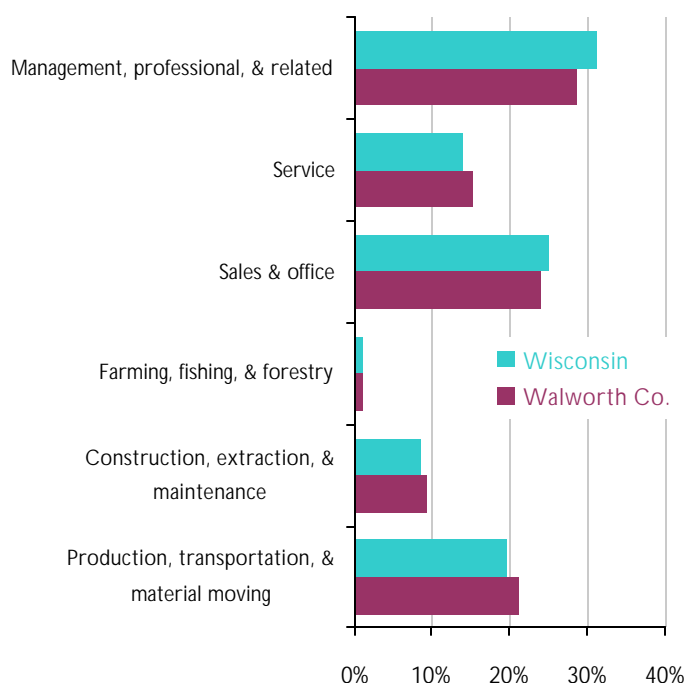
Occupation and Education Characteristics of County Population

The graph to the right is a view of Walworth County residents' occupational groups independent of industry, meaning that these occupations could conceivably span across all industries, e.g., it would probably be very difficult to find many farm or fishing workers in health care services, but not necessarily impossible. Industries certainly do formulate occupational composition, but there are additional factors as well that determine what kinds of workers are employed/demanded in a county or region such as the complexity of the services offered and goods produced. These occupational groups are concerned only with the occupation and not the geographic location of the job.

Walworth residents show a larger presence of those in services, production/transportation and construction occupations relative to Wisconsin. They work in fewer management/professional and sales and office jobs than the state as a whole. This occupational pattern is typical for residents of non-metropolitan counties. The State of Wisconsin actually looks more like the collection of the metropolitan counties' occupations rather than the occupations within the larger collection of non-metropolitan counties as the majority of jobs, approximately 72 percent, in the state are located in 13 metropolitan-designated counties.

The educational attainment of a county's population

Employment by Occupation Group: 2000



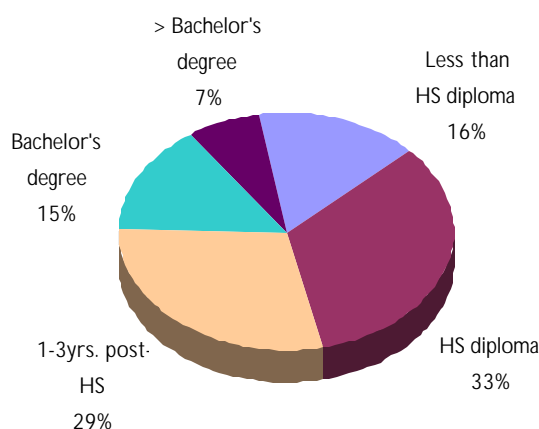
US Department of Commerce, Census 2000

tells quite a bit about a county's workforce. The graph to the lower left shows the last year completed of educational attainment. Twenty-two percent (rounded) of Walworth County's population ages 25 and older have a bachelor's degree or higher. This about the same ratio as the state as a whole, and is a very high ratio of college educated for a non-metropolitan county in Wisconsin. There are 55 percent more college educated in Walworth County than in 1990, which is a faster rate of growth than the state as a whole (42 percent).

The high rate of attainment is related to the fact that Walworth is surrounded by the aforementioned metropolitan areas, which have more jobs that typically require higher post-secondary education, making Walworth a home base for many commuters.

About 84 percent of Walworth's 25 and over have a high school diploma and just over 50 percent have had at least some post-secondary education experience, whether they have graduated or not.

Education Attainment in 2000



Source: US Dept. of Commerce, Census Bureau, *Census 2000*



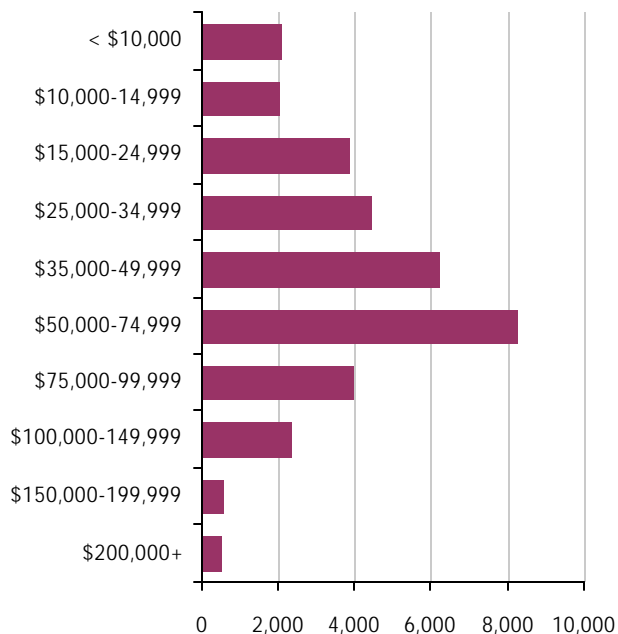
County Income Information

Household income is the measure of total income of the householder and all other individuals age 15 years and over in the household, whether they are related to the householder or not. Because many households consist of only one person, average household income is usually less than average family income. Walworth County median household income ranks 13th highest of the 72 counties and is about six percent higher than the state average median household income figure. The higher household figure is due to higher labor participation within the households. Also, there are fewer households relative to the state average that are single occupants only so there are more income earners in the households.

But per capita personal income is a different story. Per capita personal income (PCPI) is a measure of the county's total personal income divided by the total population. Walworth County's PCPI is considerably lower than the state average. Walworth's PCPI ranks 33rd highest and is 16 percent lower than the state average figure. The disparity between the PCPI and median household income figures' rankings boils down to the fact that the household and family sizes in Walworth are larger than the Wisconsin average and that there are more people in these household not earning income. Children typically do not earn income so the number of them in a county are usually a large factor in PCPI figures and rankings.

Households by Income Range

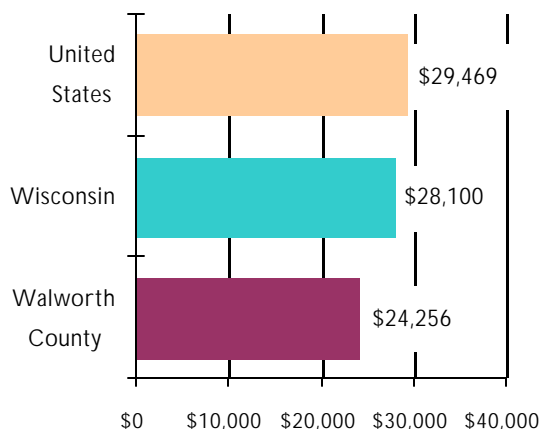
Median household income in Walworth Co. \$46,274



Source: US Dept. of Commerce, Census Bureau, *Census 2000*

PCPI divides the total personal income by the entire population whereas household income is not population dependent. The households themselves rank quite high, but when those who are not earning income are involved that brings the PCPI figure down dramatically from household income.

Per Capita Personal Income 2000



Source: US Department of Commerce, Bureau of Economic Analysis

Components of Total Personal Income: 2000

